

California Children's Services

DESCRIPTION OF MAJOR SERVICES

California Children's Services (CCS) is a state program that provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions and whose families are unable to pay for all or part of their care. State law requires the county to maintain a mandated minimum funding level. In addition to realignment dollars and the county's mandated contribution, funding also comes from Medi-Cal, private insurance, and patient co-payments. Revenues are based upon individual client eligibility for specific programs such as Medi-Cal, Healthy Families, or CCS alone (people who do not qualify for other programs or cannot afford to pay their Medi-Cal co-share payments).

The revenue breakdown among federal, state, realignment, and county general fund support depends on the type of services provided under this program. This program provides two types of services:

- 1) Administrative Component – Case management activities which include determining program eligibility, evaluating needs for specific services, determining the appropriate providers, and authorizing/paying for medically necessary care. Administrative funding is based on staffing standards and caseload mix of CCS clients. In other words, it depends on which federal, state, or county program in which the children are enrolled.
 - a) Medi-Cal accounts for approximately 85%. Federal and state funds reimburse CCS for 100% of the costs.
 - b) Healthy Families accounts for approximately 10%. This federal and state program reimburses CCS for 82.5% of the costs. The remaining 17.5% local share is equally funded by Social Services Realignment (8.75%) and general fund support (8.75%).
 - c) CCS or Non-Medi-Cal caseload accounts for approximately 5%. Federal and state funds account for 50% of the costs associated with treating this clientele. The remaining 50% is split equally between Social Services Realignment (25%) and general fund support (25%).
- 2) Medical Therapy Component – Provides physical therapy, occupational therapy, and medical therapy conference services. Licensed physical therapists and certified occupational therapists provide evaluation, treatment, consultation services, and case management.
 - a) The state reimburses the county 50% of the costs incurred by this program. The remaining 50% is equally funded by Social Services Realignment and general fund support. Additionally, this program is allowed to bill Medi-Cal for therapy provided to Medi-Cal eligible clients. Approximately 70% of the caseload in the medical therapy component is Medi-Cal eligible.

BUDGET AND WORKLOAD HISTORY

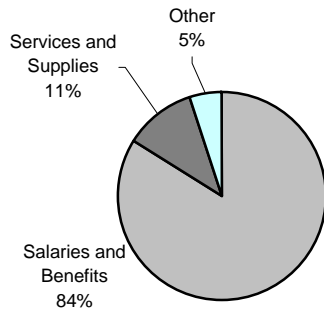
	Actual 2003-04	Budget 2004-05	Actual 2004-05	Budget 2005-06
Appropriation	10,044,604	12,713,007	11,041,809	14,008,854
Departmental Revenue	8,567,764	11,174,966	9,118,390	12,470,813
Local Cost	1,476,840	1,538,041	1,923,419	1,538,041
Budgeted Staffing		149.6		158.0
<u>Workload Indicators</u>				
Cases Managed	10,344	12,137	10,668	11,360
Therapy Units	34,418	36,200	35,134	37,550
Claims Processed	176,171	-	-	-

Caseload in the administrative unit is continuing to grow although at a slower rate than projected. Therapy caseload is projected to increase at a faster rate than budgeted. The county has a higher share of cost for therapy; however, the program has been successful in seeking funding and currently has 4.65 budgeted staff funded 100% by state revenue instead of the normal cost sharing ratios.

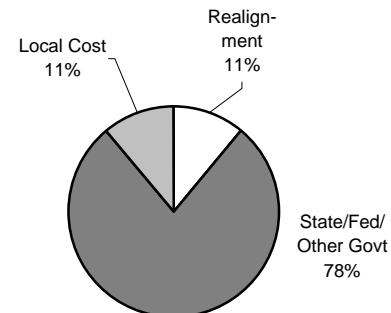


The department experienced a revenue shortfall due to state revenue sharing methodology for the department's Medical Therapy Component, which went from 50/50 state/county to 75/25 state/county. The revenue sharing change was not disclosed to the department until June 2005. As a result of the shortfall, both Social Services Realignment revenue and Local Cost increased.

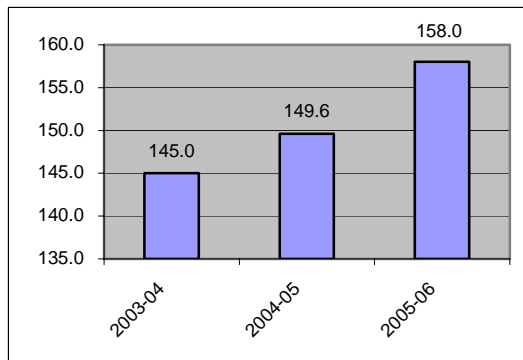
2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY



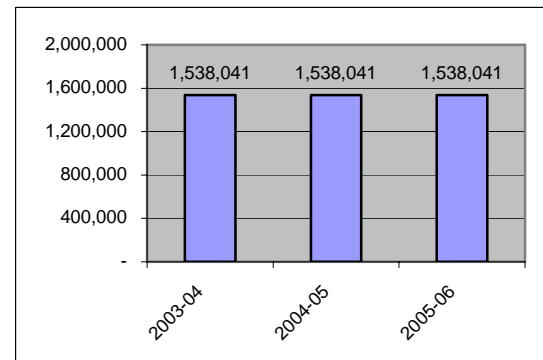
2005-06 BREAKDOWN BY FINANCING SOURCE



2005-06 STAFFING TREND CHART



2005-06 LOCAL COST TREND CHART



GROUP: Administrative/Executive
DEPARTMENT: California Children's Services
FUND: General

BUDGET UNIT: AAA CCS
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2004-05 Actuals	2004-05 Final Budget	2005-06 Board Approved Base Budget	2005-06 Board Approved Changes to Base Budget	2005-06 Final Budget
Appropriation					
Salaries and Benefits	9,091,778	10,469,301	11,326,989	431,800	11,758,789
Services and Supplies	1,335,375	1,601,326	1,600,816	(37,542)	1,563,274
Equipment	-	10,000	10,000	-	10,000
Transfers	614,656	632,380	632,380	44,411	676,791
Total Appropriation	11,041,809	12,713,007	13,570,185	438,669	14,008,854
Departmental Revenue					
Realignment	1,923,419	1,538,041	1,538,041	-	1,538,041
State, Fed or Gov't Aid	7,098,263	9,609,265	10,466,443	431,829	10,898,272
Current Services	25,979	27,400	27,400	4,000	31,400
Other Revenue	70,729	260	260	2,840	3,100
Total Revenue	9,118,390	11,174,966	12,032,144	438,669	12,470,813
Local Cost	1,923,419	1,538,041	1,538,041	-	1,538,041
Budgeted Staffing		149.6	149.6	8.4	158.0



In 2005-06, the department will incur increased costs in retirement, workers compensation, MOU, central computer charges and inflationary services and supplies purchases and will incur decreased costs in risk management insurance. An increase in costs also occurred for the Clerical Classification study, which was approved by the Board on April 5, 2005.

Department changes also include a net increase of 8.4 positions for a total cost of \$357,600. The department added five new positions in the therapy unit and two positions in the administrative unit (these two positions are approximately 92% funded by state and federal revenue). In addition to these 7 positions, budgeted staffing is also increasing by 1.4 positions to reflect the full-year staffing for some positions that were budgeted for only a portion of the year in 2004-05. State and federal revenue is increasing accordingly to fund the addition of these positions.

DEPARTMENT: California Children's Services
FUND: General
BUDGET UNIT: AAA CCS

BOARD APPROVED CHANGES TO BASE BUDGET

Brief Description of Board Approved Changes	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
1. Salary Increases	8.4	431,800	-	431,800
Salary expense is increasing by \$357,600 for two reasons: 7 new positions added as a result of increasing caseloads and an increase of 1.4 in budgeted staffing to reflect the full-year staffing for positions that were budgeted for only a portion of the year in 2004-05. The breakdown for the new positions is as follows: 1.0 Physical Therapy Aide 2.0 Social Worker II 3.0 Pediatric Rehabilitation Therapist I 1.0 Pediatric Rehabilitation Therapist II				
** Final Budget Adjustment - Mid Year Item Increase in costs of \$74,200 related to the Clerical Classification Study approved by the Board on April 5, 2005 #67. Increased costs will be offset by increased state revenue.				
2. Reduced Services and Supplies	-	(37,542)	-	(37,542)
Services and supplies are reduced to accommodate increased salary expenses as well as to reflect the elimination of one-time costs associated with the programs move to new lease space in the 2004-05 year.				
3. Increase in Transfers Out	-	44,411	-	44,411
Transfers out are increased to reflect payments to the following: 1) Public Health budget unit for automated systems support staff, staff analyst support, and an 900 hours of a Nutritionist which is a new support for 2005-06 (\$32,990). 2) Real Estate Services department for increased lease expense (\$8,840). 3) Human Resources department for Employee Health and Productivity cost (\$2,581).				
4. Increased State Revenue	-	-	431,829	(431,829)
State revenue is increasing as a result of a 3.7% increase in caseload for therapy services; \$74,200 of increase will be used to pay for clerical classification study increase.				
5. Current Service Revenues	-	-	4,000	(4,000)
This is a minor increase in enrollment fees based on current caseload trends.				
6. Other Revenues	-	-	2,840	(2,840)
Other revenues reflect funds received for care as a result of legal settlements which repay the department for expenses incurred treating clients. This revenue can fluctuate dramatically from year to year. We are increasing the estimate slightly based on a conservative estimate of prior years' experience.				
Total	8.4	438,669	438,669	-

**** Final Budget Adjustments were approved by the Board after the proposed budget was submitted.**

